



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

May 9, 2014

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From: William T Fujioka
Chief Executive Officer

SACRAMENTO UPDATE

Executive Summary

This memorandum contains reports on the following:

- **Status of County-Sponsored Legislation**
 - **County-sponsored AB 2275 (Ridley-Thomas)** - related to electronic access to vital records, passed the Assembly Floor on May 8, 2014.
- **Status of County-Advocacy Legislation.** Updates on the status of 12 county-advocacy bills related to: 1) contracting for the Drug Medi-Cal Program; 2) the employee relations commissions of the County and City of Los Angeles; 3) liability for contractors' employment-related duties; 4) the development of greenways along rivers; 5) investigations of Drug Medi-Cal Program providers; 6) local assistance grants to develop greenhouse gas emissions reduction projects; 7) maximum disability allowance for workers' compensation; 8) workers' compensation presumptions for hospital employees; 9) workers' compensation lien provisions; 10) nutritional guidelines and requirements for vending machine operators; 11) requirements for outpatient drug free counseling; and 12) inspection of point-of-sale pricing systems.

"To Enrich Lives Through Effective And Caring Service"

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- **Legislation of County Interest**

- **AB 1816 (Yamada)** - related to time frames for the California Department of Public Health to complete complaint investigations of long-term health care facilities.

Status of County-Sponsored Legislation

County-sponsored AB 2275 (Ridley-Thomas), which as amended on April 10, 2014, would provide local agencies with the option to provide constituents access to their vital records via an electronic identification process, passed the Assembly Floor by a vote of 69 to 0 on May 8, 2014. This measure now proceeds to the Senate.

Status of County-Advocacy Legislation

County-supported AB 1644 (Medina), which as introduced on February 18, 2014, would require that prior to contracting with Drug Medi-Cal (DMC) provider organizations, the California Department of Health Care Services (DHCS) or the county contracting for DMC provider services, receive State criminal history information on owners of DMC provider organizations from the California Department of Justice (DOJ) to determine whether or not an owner has been convicted of any crime involving fraud, and would require DHCS or the responsible county to request subsequent arrest notifications from DOJ, was amended on April 10, 2014.

As amended, AB 1644 would designate all Drug Medi-Cal (DMC) Treatment Program providers as high categorical risk and, as a result, would require that these providers be subject to criminal background checks per existing State law and Federal regulations. AB 1644 would also authorize DHCS, on or after January 1, 2018, to designate a DMC Program provider as limited or moderate categorical risk, and in the event DHCS designates a provider as limited or moderate risk, DHCS would be required to execute a declaration explaining why the high categorical risk is no longer warranted. Further, DHCS would be required to retain the declaration and to post the declaration on their website with a copy of the declaration provided to the State Legislature.

The Department of Public Health (DPH) indicates that AB 1644, as amended, will help to strengthen the DMC Program and DPH's knowledge of prospective contractors, and would improve the accountability of owners of DMC provider organizations; therefore, **the Sacramento advocates will continue to support AB 1644.**

AB 1644 was placed on the Assembly Appropriations Suspense File on April 30, 2014.

County-opposed AB 1881 (Jones-Sawyer), which as amended on March 28, 2014, would prescribe requirements for appointments to the employee relations commissions of the County of Los Angeles and the City of Los Angeles, passed the Assembly Appropriations Committee by a vote of 10 to 5 on May 7, 2014. This measure now proceeds to the Assembly Floor.

County-opposed AB 1897 (Hernández), which as amended on April 10, 2014, would require that an entity that contracts for labor or services be liable for employment-related duties that their labor contractors fail to comply with, including the contractor's employee wages, tax contributions, worker's compensation coverage and occupational health and safety requirements, was placed on the Assembly Appropriations Suspense File on May 7, 2014.

County-support-if-amended AB 1922 (Gomez), which as amended on May 1, 2014, would enact the Greenway Development and Sustainment Act, which is intended to promote the development of greenways along rivers in the State through public and private partnerships, including the development of a greenway along the Los Angeles River, passed the Assembly Appropriations Committee by a vote of 13 to 4 on May 7, 2014. This measure now proceeds to the Assembly Floor.

County-supported AB 1967 (Pan), which as amended on April 10, 2014, would require the California Department of Health Care Services, upon commencing and concluding an investigation of a certified Drug Medi-Cal Program provider, to promptly notify each county that contracts with the provider that an investigation has commenced or concluded, passed the Assembly Floor by a vote of 69 to 0 on May 8, 2014. This measure now proceeds to the Senate.

County-supported AB 1970 (Gordon), which as amended on April 10, 2014, would create the Community Investment and Innovation Program to provide local assistance grants and other financial assistance to local governments, either individually or collectively, for the purposes of developing and implementing integrated community-level greenhouse gas emissions reduction projects in their region, was placed on the Assembly Suspense File on May 7, 2017.

County-opposed AB 2378 (Perea), which as introduced on February 21, 2014, would allow the payment of Labor Code 4850 disability benefits, special leaves of absence without loss of pay benefits, to certain peace officers in addition to the maximum benefits allowed for temporary disability payments, was placed on the Assembly Appropriations Suspense File on May 7, 2014.

County-opposed AB 2616 (Skinner), which as amended on April 29, 2014, would expand the presumption of job-related injuries to cover hospital employees for methicillin-resistant staphylococcus aureus, a skin infection, was placed on the Assembly Appropriations Suspense File on May 7, 2014.

County-opposed AB 2732 (Gonzalez), which as amended on March 28, 2014, would amend specified provisions of the workers' compensation system reforms enacted in SB 863 (Chapter 363, Statutes of 2012), including lien provisions to require employers to reimburse lien claimants for fees that were paid to the State by the claimant, passed the Assembly Floor on a 69 to 0 vote on May 8, 2014. This measure now proceeds to the Senate.

County-supported SB 912 (Mitchell), which as amended on April 21, 2014, would make permanent provisions in current State law which require vending machine operators to provide food and beverage options that meet accepted nutritional guidelines in vending machines operated and maintained on State property, passed the Senate Floor by a vote of 28 to 6 on May 8, 2014. This measure now proceeds to the Assembly.

County-supported SB 1045 (Beall), which as amended on March 28, 2014, would require that an outpatient group setting in which drug free counseling services are provided consist of no less than two and no more than 14 individuals, passed the Senate Health Committee, with amendments, by a vote of 9 to 0 on May 7, 2014. This measure now proceeds to the Senate Floor.

County-opposed SB 1328 (Hill), which as amended on April 14, 2014, would: 1) authorize the California Department of Food and Agriculture (CDFA), by regulation, to establish a uniform policy consistent with Federal law relating to the use of dry tare weight or wet tare weight methods of measurement for the retail sale of meat, poultry, and fish products; 2) prohibit a grocery store from being fined or assessed a penalty for the first item not in compliance during an initial standard inspection provided that the store has a policy to refund the amount of the product or to provide the product free of charge, if the amount paid is greater than the price advertised, posted, marked, displayed or quoted; and 3) authorize the Secretary of CDFA, by regulation, to impose an additional assessment of up to \$2 for the license of a business that uses a point-of-sale system, to be deposited in the California Department of Food and Agriculture Fund, for purposes of carrying out the provisions regulating the use of point-of-sale systems, was amended on May 5, 2014.

As amended, SB 1328 would now allow a grocery store to be issued a written violation, but still not fined or assessed a penalty, for the first item found to be not in compliance during an initial standard inspection provided that the store has a policy to refund the amount of the product or to provide the product free of charge, if the amount paid is greater than the price advertised, posted, marked, displayed or quoted. The amendments also add a sunset date of January 1, 2018 for this provision.

The Agricultural Commissioner/Weights and Measure has reviewed the amendments to SB 1328 and reports that the addition of a written violation in lieu of a fine or assessment of a penalty for the first item found not to be in compliance continues to lower the 100 percent accuracy requirements of current law and dilute the County's strict application of State law prohibiting overcharges on any commodity in order to disincentivize continued neglect or fraudulent practices. **Therefore, the Sacramento advocates will continue to oppose SB 1328.**

Legislation of County Interest

AB 1816 (Yamada), which as amended on April 7, 2014, would require the California Department of Public Health (CDPH) to complete complaint investigations of long-term health care facilities within 40 working days of receiving a complaint. Should CDPH be unable to obtain evidence necessary to complete an investigation, the 40 working day period may be extended by an additional 30 days. In the event CDPH extends an investigation beyond 40 working days, CDPH must notify the complainant in writing regarding the basis for the extension and provide an anticipated investigation completion date. Similarly, in the event CDPH's investigation extends beyond 70 working days due to circumstances beyond their control, CDPH must notify the complainant in writing and by telephone or email of the delay and provide an explanation for the delay. AB 1816 would allow a complainant, within 15 days of receiving CDPH's investigation determination notice, to notify the Director of CDPH of his or her request for an informal conference to review CDPH's determination.

Existing law currently does not require CDPH to complete complaint investigations of long-term health care facilities within a specified timeframe; however, CDPH is required to notify complainants of their determination within 10 working days of completing an investigation. Upon receiving a complaint, CDPH is required to assign an inspector to conduct a preliminary review and must notify the complainant of the assigned inspector's name within two working days of receiving the complaint. Existing law further requires CDPH to make an onsite inspection or investigation of the long-term health care facility in question within 10 working days of receiving a complaint (unless CDPH determines the complaint is willfully intended to harass the licensee or is without reasonable basis), and to make an onsite inspection/investigation within 24 hours in

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cases where the complaint involves a threat of imminent danger of death or serious bodily harm. Complainants currently have five business days, upon receipt of CDPH's investigation determination, to notify the Director of CDPH in writing of his or her request for an informal conference.

According to the author of AB 1816, timely investigations are critical to reducing risk and protecting dependent adults from dangerous situations. This measure is intended to address this issue by establishing a 40-day limit on the length of investigations, with allowable extensions for difficult situations.

The Department of Public Health (DPH), on behalf of the California Department of Public Health (CDPH), provides licensing, certification, and inspection of 2,500 health facilities within the County of Los Angeles. DPH has contracted with CDPH to provide these services since the 1960s and is the only county government department or agency to provide these services at the local level on behalf of CDPH. Health facilities licensed, certified, and inspected by DPH include acute care hospitals, nursing homes, homes for the intellectually impaired, hospice programs, ambulatory surgical centers, dialysis clinics, home health agencies, community care clinics, and congregated living facilities.

AB 1816 is supported by the: California Advocates for Nursing Home Reform; California Association of Health Facilities; California Communities United Institute; California Long-Term Care Ombudsman Association; and Consumer Federation of California. Currently, there is no registered opposition to this measure.

AB 1816 was placed on the Assembly Appropriations Suspense File on April 30, 2014.

We will continue to keep you advised.

WTF:RA
MR:KA:IGEA:ma

c: All Department Heads
Legislative Strategist
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Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants